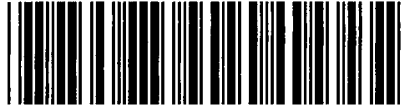




Control Number: 51415



Item Number: 561

Addendum StartPage: 0

SOAH DOCKET NO. 473-21-0538
PUC DOCKET NO. 51415

2021 MAY 20 AM 9:31

SOUTHWESTERN ELECTRIC POWER COMPANY'S RESPONSE TO COMMISSION
STAFF'S NINTH REQUEST FOR INFORMATION

Question No. STAFF 9-15:

Please provide each individual adjustment to SWEPCO's request by schedule number, line number, and FERC account number that would be necessary to reflect the actual accumulated deferred federal income tax asset related to the NOL carryforward recorded on SWEPCO's books at test year end (per the 3/20/20 trial balance at Schedule A-4).

Response No. STAFF 9-15:

There is a zero balance for ADIT associated with NOL carryforwards on SWEPCO's books (financial statements) as the result of SWEPCO's participation in the AEP consolidated federal tax return and the required accounting under GAAP for allocation of the consolidated tax liability under the group's Tax Allocation Agreement. As the trial balance reflects no ADIT balance for the NOLC, to adjust the filing to reflect the balance as zero as opposed to the separate return NOL ADFIT the pro forma adjustments as identified in the response to Staff 9-14 would need to be removed from the schedules.

Prepared By: David A. Hodgson

Title: Tax Acctg & Reg Support Mgr

Sponsored By: Michael A. Baird

Title: Mng Dir Acctng Policy & Rsrch

Sponsored By: David A. Hodgson

Title: Tax Acctg & Reg Support Mgr